REMARKS

A.   35 U.S.C. § 103

1.   Claims 1-11

In the Office Action mailed on October 11, 2005, claims 1-11 were rejected under

35 U.S.C. § 103 as being obvious in view of Field and Little et al. Claim 1 has been

canceled and so its rejection has been rendered moot. Regarding claim 4, Applicants

traverse the rejection. Claim 4 recites 1) "maintaining a vendor database on the insurance

host server," 2) "placing at least one order for at least one line item from the insurance

host server to a vendor" and 3) "tracking the order on the insurance host server." The

Office Action relies on the following passage as disclosing the above mentioned

"maintaining," "placing" and "tracking" processes:

> As shown in FIG. 5, which illustrates the first exemplary
> embodiment of system 30, the hardware configuration at
> each healthcare provider's location 40 includes a personal
> computer or workstation acting as a remote sentinel system
> 42. The currently preferred system 42 uses an Intel
> processor system, the "Microsoft Windows for
> Workgroups" operating environment, a database program
> comprising a runtime version of Microsoft's "Access"
> database program, Tools & Technologies' Data Junction
> program for capturing and translating data between various
> computer platforms, and International Software's Remote
> Office™ computer communication program. Sentinel
> system 42 preferably has two one-gigabyte hard drives and
> an internal fax/modem. The second one-gigabyte hard
> drive mirrors the first drive and serves as a backup. The
> sentinel system 42 is connected to the provider's local area
> network 44, and can download claim records and other

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> information directly from the provider's mainframe or other
> computing facility 46, which executes the accounting
> system 36. The sentinel system 42 sends summary data to
> the central location 50. (Col. 6, ll. 32-50).

A review of the above passage reveals that it does not mention maintaining a vendor database on an insurance server. The passage is also silent as to placing an order with a vendor and tracking such an order with the insurance server. Thus, Field fails to disclose the invention of claim 4. Since Little et al. does not suggest altering Field to perform the claimed "maintaining," "placing" and "tracking" processes, the rejection is improper and should be withdrawn.

Note that claims 2 and 3 have been amended so as to depend from claim 4 and so their rejections have been rendered moot. In addition, claim 5-11 depend directly from claim 4 and so their rejections are improper for at least the reasons given above with respect to claim 4. Furthermore, claims 5-11 recite various processes that involve the vendor mentioned in claim 4. Since the passages relied on by the Office Action to reject claims 5-11 are <u>silent</u> as to any processes involving a vendor and are also silent to a number of processes recited in the claims, such as entering, editing, upgrading vendor information and various ways of sending an order to a vendor, their rejections are improper as well.

Please note that claims 2 and 3[1] are being amended so as to provide additional coverage for the invention of independent claim 4. Accordingly, the amendments are not related to patentability as defined in *Festo Corporation v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd*, 234 F.3d 558, 56 USPQ2d 1865 (Fed. Cir. 2000) (*en banc*), *overruled in part*, 535 U.S. 722, (2002) (hereinafter *Festo I*)

Please note that claim 4 is being amended so as to be in independent form. Since the amendment incorporates subject matter that was inherently present in the original claims, the amendments are not related to patentability. *See, Festo Corporation v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd*, 535 U.S. 722, (2002) (hereinafter *Festo II*).

2. Claims 12-22

Claims 12-22 were rejected under 35 U.S.C. § 103 as being obvious in view of Field and Little et al. Claim 12 has been canceled and so its rejection has been rendered moot. Regarding claim 15, Applicants traverse the rejection. Claim 15 recites a system that has a memory that contains a program that fulfills payment of a line item by 1) "maintaining a vendor database on the insurance host server,"[2] 2) "placing at least one order for at least one line item from the insurance host server to a vendor" and 3)

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[1] It is noted that Applicants' Amendment of October 23, 2003 and Appeal Brief of July 7, 2005 refer to a "stop" instead of a "step" in claim 3. Claim 3 presented in the present amendment correctly uses "step."

[2] It is noted that Applicants' Amendment of October 23, 2003 and Appeal Brief of July 7, 2005 identify the "maintaining" process of claim 15 with the numeral "1" instead of "i".

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"tracking the order on the insurance host server." The above three items of claim 15 correspond to the three items mentioned previously with respect to claim 4. Accordingly, the rejection of claim 15 is improper for at least the same reasons given above in Section A.1 with respect to claim 4.

Note that claims 13 and 14 have been amended so as to depend from claim 15 and so their rejections have been rendered moot. In addition, claim 16-22 depend directly from claim 15 and so their rejections are improper for at least the reasons given above with respect to claim 15. Furthermore, claims 16-22 recite various processes that correspond to those in claims 5-11, respectively, and so their rejections are improper for the same reasons given above in Section A.1 with respect to claims 5-11.

Please note that claims 13 and 14 are being amended so as to provide additional coverage for the invention of independent claim 15. Furthermore, claim 14 is being amended to replace "method" with "system" to correct an obvious error. Accordingly, the amendments are not related to patentability as defined in *Festo I*.

Please note that claim 15 is being amended so as to be in independent form. Since the amendment incorporates subject matter that was inherently present in the original claims, the amendments are not related to patentability. *See, Festo II*.

The present amendment corrects this error.

3.   Claims 23-33

Claims 23-33 were rejected under 35 U.S.C. § 103 as being obvious in view of Field and Little et al. Claim 23 has been canceled and so its rejection has been rendered moot. Regarding claim 26, Applicants traverse the rejection. Claim 26 recites a computer readable medium that contains instructions for controlling a computer system that involves a method that includes 1) "maintaining a vendor database on the insurance host server," 2) "placing at least one order for at least one line item from the insurance host server to a vendor" and 3) "tracking the order on the insurance host server." The above three items of claim 26 correspond to the three items mentioned previously with respect to claim 4. Accordingly, the rejection of claim 26 is improper for at least the same reasons given above in Section A.1 with respect to claim 4.

Note that claims 24 and 25 have been amended so as to depend from claim 26 and so their rejections have been rendered moot. In addition, claim 27-33 depend directly from claim 26 and so their rejections are improper for at least the reasons given above with respect to claim 26. Furthermore, claims 27-33 recite various processes that correspond to those in claims 5-11, respectively, and so their rejections are improper for the same reasons given above in Section A.1 with respect to claims 5-11.

Please note that claims 24 and 25 are being amended so as to provide additional coverage for the invention of independent claim 26. Accordingly, the amendments are

not related to patentability as defined in *Festo I*.

Please note that claim 26 is being amended so as to be in independent form. Since the amendment incorporates subject matter that was inherently present in the original claims, the amendments are not related to patentability. *See, Festo II*.

CONCLUSION

In view of the arguments above, Applicant respectfully submits that all of the pending claims 2-11, 13-22 and 24-33 are in condition for allowance and seek an early allowance thereof. If for any reason, the Examiner is unable to allow the application in the next Office Action and believes that an interview would be helpful to resolve any remaining issues, he is respectfully requested to contact the undersigned attorneys at (312) 321-4200.

Respectfully submitted,

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